



June 22, 2012

The Honorable Pat Tiberi, Chair  
The Honorable Richard E. Neal Ranking Member  
Subcommittee on Select Revenue Measures  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Tiberi and Ranking Member Neal:

On behalf of ABM Energy, a leading provider of integrated facility solutions that also provides energy efficiency home and commercial retrofits across the country, I thank you for the opportunity to express support for the restoration and extension of residential and commercial energy efficiency tax credits.

Please consider this letter a statement to the record for the House Committee on Ways and Means, Subcommittee on Select Revenue Measures, Hearing on a Framework for Evaluating Certain Expiring Tax Provisions on June 8, 2012.

We respectfully request that the Committee act quickly to renew and extend the Tax Code Section 25C that provides a 10% tax credit for the purchase of certain energy efficient materials up to \$500. Since its passage in 2005, this tax credit has been a significant incentive for homeowners to choose energy efficient products over less-expensive and less-efficient alternatives. It has proven to be an important tool to promote energy efficiency by helping owners afford higher efficiency windows, doors, HVAC systems, hot water heaters, roofing and insulation. It has also served to create and preserve American jobs in the remodeling and retrofit industry.

The 25C tax credit could be improved. Between December 31, 2008 and January 1, 2011 the tax credit was expanded to 30% of the purchase of the energy efficiency products up to \$1500. This supported a growth in demand for those products in a challenging economic environment for those in the building industry. A return to those levels would further support American jobs in the residential building sector.

ABM also asks the committee to extend and modify the "Energy Efficient Commercial Buildings Deduction" (Section 179D). In addition to extending this provision, we recommending making adjustments to the legislation to specifically encouraging existing commercial building retrofits. In particular, ABM urges the committee to consider the baseline of an existing building as the baseline for a performance calculation rather than the current code for new construction of that building. It is more appropriate and effective to calculate energy performance improvements of the actual buildings and reward those real energy savings. To advance the country's energy security, significant energy-efficiency improvements to older building is important.

In addition to restoring, extending, and expanding the 25C and 179D tax provisions, ABM Energy expresses support for a new tax credit proposal, recently introduced in the Senate. The bi-partisan "Cut Energy Bills at Home Act" (S.1914) was introduced in the Senate and would create the 25E tax credit -- the first residential performance-based tax credit given to homeowners who make energy efficiency improvements. As a performance-based incentive, this tax credit would address to the April GAO report's concerns and reward energy saving levels rather than specific products, thus aligning taxpayer dollars directly with public policy objectives, creating significant energy savings and job creation. A performance-based residential tax credit would lay the foundation help create a sustainable market for energy efficiency and an incentive for sound, efficient construction by trained contractors.

We appreciate the opportunity to express our support of these three important tax provisions. Should you have any questions about our position or company, please do not hesitate to contact me or our Washington Representative Kara Saul Rinaldi at [kara@anndyl.com](mailto:kara@anndyl.com) or 202.276.1773 directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Rogers", with a stylized flourish at the end.

Michael Rogers  
Vice President  
ABM Energy

**152 Technology Drive | Irvine, CA 92618**  
802-862-3250 (Office)  
[mike.rogers@abm.com](mailto:mike.rogers@abm.com)

Title of Hearing : **Hearing on the Framework for Evaluating Certain Expiring Tax Provisions, June 8 2012**